



Information Partners Can Use on:

Changes in Qualifying for Extra Help in 2007

Medicare Prescription Drug Coverage

As of September 2006

Medicare and Social Security are making decisions about whether some people who qualify for extra help in 2006 will continue to qualify in 2007. People affected by these changes will receive information from Medicare or Social Security. Important information is provided below to help you counsel people affected by these changes.

People who no longer automatically qualify for extra help in 2007

Medicare and Social Security are working together to mail notices to people who will no longer automatically qualify for extra help in 2007 (CMS Pub. No. 11198). The notice will explain why they no longer automatically qualify and encourage them to complete an enclosed application for extra help, which they can return to Social Security in the enclosed postage-paid envelope. Individuals will receive these notices in mid to late September.

A person will no longer **automatically** qualify for extra help in 2007 because he or she no longer

- has both Medicare and Medicaid (full-benefit dual-eligible),
- belongs to a Medicare Savings Program (partial dual-eligible), or
- receives Supplemental Security Income (SSI) benefits.

Partners should encourage these individuals to **apply** for the extra help with Social Security or their State Medical Assistance (Medicaid) office. Applying early is important so their extra help can be effective as early as January 1, 2007, the date that automatic eligibility ends. You can assist them in completing and mailing Social Security's application.

If in the coming months a person's situation changes so that they again automatically qualify for extra help, Medicare will send them another notice letting them know that they qualify.



People who continue to automatically qualify for extra help in 2007, but with a change in copayment level

Medicare is also mailing notices to people who will continue to automatically qualify for extra help in 2007 but whose copayment levels will change as of January 1, 2007 (CMS Pub. No. 11199). Copayment levels may increase or decrease. Medicare will mail these notices by early October to let people know what their new copayment level is as of January 1, 2007.

The change in copayment level could result when a person with Medicare changes from one of the following categories to another:

- institutionalized with Medicare and Medicaid,
- has Medicare and Medicaid,
- has Medicare and Medicaid and a change in income level,
- receives help from Medicaid paying Medicare premiums (belongs to a Medicare Savings Program), or
- receives Supplemental Security Income benefits but not Medicaid.

For example, if someone with both Medicare and Medicaid no longer resides in a nursing home, then he or she will no longer qualify for a \$0 copayment effective January 1, 2007.

Note: People with no changes who continue to automatically qualify for extra help as of January 1, 2007, won't get a notice.

For more information

People who have questions about filling out the application for extra help should visit Social Security at www.socialsecurity.gov on the web or call 1-800-772-1213. TTY users should call 1-800-325-0778.

People who have questions about Medicare prescription drug coverage or think they received either notice in error should call 1-800-MEDICARE (1-800-633-4227). TTY users should call 1-877-486-2048. They should let Medicare know they received a notice when they call.

People who applied and qualified for extra help in 2006

The Social Security Administration is reviewing the eligibility of people who applied and qualified for extra help prior to May 2006. This review will ensure these people are still eligible and receiving the appropriate amount of extra help. Social Security mailed these individuals a letter at the end of August telling them what Social Security's records show for their income, resources and household size. A cost of living increase in their Social Security won't be considered a change in their situation.



People who applied and qualified for extra help in 2006 (continued)

- People who don't have changes to their income, resources or household size should do nothing.
- People who have any changes to their income, resources, or household size will need to return a one-page letter (L1026) in the envelope enclosed with the mailing within 15 days. Social Security will then mail them a form called "Social Security Administration Review of Your Eligibility for Extra Help" (Form 1026B). If these individuals fill out and return the form within 30 days, any change to the amount of extra help they qualify for will be effective in January 2007 unless their marital status changed. Changes in marital status may result in changes to the amount of extra help in the following month.

Social Security will also send the eligibility review form (1026B) directly to some people to complete because Social Security has information that there was a change in income or resources. This form needs to be returned within 30 days.

Social Security will review the eligibility review form (1026B) and send the person a letter explaining its decision. Social Security may decide a person

- has no change in the amount of extra help they receive, or
- has an increase in the amount of extra help they receive, or
- has a decrease in the amount of extra help they receive, or
- no longer qualifies for extra help.

If a person believes that Social Security's decision is incorrect, they have the right to appeal it. The decision letter will explain their appeal rights.

For more information

- Visit Social Security's website (see links below).
 - Fact Sheet—<http://www.socialsecurity.gov/pubs/10111.html>
 - Mailing (L1026)—
http://www.ssa.gov/prescriptionhelp/L1026%20Passive%20Redetermination%20English%20SAMPLE%20_08-25-06%20Systems_.pdf
 - "Social Security Administration Review of Your Eligibility for Extra Help" (1026B)—
<http://www.ssa.gov/prescriptionhelp/SSA-1026B-OCR-SM-INST.pdf>
- Call Social Security at 1-800-772-1213. TTY users should call 1-800-325-0778. Callers should let Social Security know they received a letter when they call.